

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD
MEETING HELD ON 19th FEBRUARY 2020 FROM 10.30 AM TO 14:20 PM AT PILGRIM
HOUSE, ABERDEEN**

Present:

FSS Board

Ross Finnie, Chair
George Brechin
Marieke Dwarshuis
Heather Kelman
Carrie Ruxton
Sue Walker
Anne Maree Wallace
Louise Welsh, Deputy Chair

FSS Executive

Geoff Ogle, Chief Executive
Garry Mournian, Interim Director of Policy,
Science, Finance and Human Resources
Katherine Goodwin, Head of Communications
& Marketing
Norval Strachan, Chief Scientific Adviser
Diane Strachan, Head of Private Office
Hazel Stead, Board Secretary

1 Introduction, Apologies

1.1 The Chair, Ross Finnie welcomed everyone to the Food Standards Scotland (FSS) Board meeting.

1.2 Apologies were received from Ian McWatt, Deputy Chief Executive.

2 Declaration of Conflict of Interest

2.1 The Chair asked for any conflicts of interest to be declared. None were declared.

3 Minutes and Action Log – 20/02/01 & 20/02/02

3.1 There were two amendments to the minutes, paragraphs 4.1 and 9.3 and an additional action point being added to the action log. The Board accepted the minutes as an accurate record.

3.2 The Chair moved onto the action log. On action number 2019/01 the Chair noted that agreement of the risk analysis process between FSS and Food Standards Agency (FSA) for the Advisory Forum on Food and Feed was not yet complete. Geoff Ogle, Chief Executive (CE) had discussed the matter with senior FSA officials. It was agreed to establish a number of examples of risk analysis which can be worked through before the process is finalised in the summer of 2020.

3.3 On action number 2019/02, the Chair accepted that this could be closed. On action numbers 2019/03 and 2019/04, it was agreed to carry these actions forward.

3.4 There were no matters arising.

4 Chair's Report

4.1 The Chair explained that on the 20th February 2020, he and the CE are holding a discussion on the out of home strategy with Joe Fitzpatrick, Minister for Public Health, Sport and Wellbeing. The Chair and CE have met with two external stakeholders, Professor Jim McGoldrick of Public Health Scotland and Roger White, Chief Executive Officer of AG Barr.

5 Chief Executive's Report – 20/02/03

5.1 The Chair invited Geoff to provide an oral update to supplement his written report. Geoff welcomed the European Food Safety Authority opinion on Shiga-toxin producing E.coli which supports FSS's position taken during the E.coli O157 incident in 2016.

5.2 He gave an update on his attendance at the National Farmers Union of Scotland conference where he was a speaker and answered questions on alignment; equivalence in trade and food standards. He noted Ian's appointment as Deputy Chief Executive and that the other senior appointment is yet to be filled.

6 Financial approach for 2020/21 – 20/02/04

6.1 The Chair invited Garry Mournian, Interim Director of Policy, Science, Finance & Human Resources (HR) and Elaine McLaughlin, Interim Head of Finance and HR to introduce the paper. Garry noted the delay in the Scottish Government (SG) budget which had occurred as a result of the delay being confirmed by UK Government. He noted the budget £16m of which £0.4m Annual Managed Expenditure (AME), with an additional £5.0m allocated to mitigate the impact of exiting the EU on FSS. He explained that the FSS EU Exit budget allocation is "ring-fenced" by SG Health Finance.

6.2 Board members sought and received assurance on the "ring-fencing" of the FSS budget and the impact and the risk to FSS in resourcing new posts under the future structure programme and the use of SG shared services. The Chief Executive explained that a risk for him as Accountable Officer is the allocation and forecasting of the total budget without having the additional budget formally allocated at the start of the financial year. He explained that a formal arrangement is necessary between FSS and SG to give him assurance that the additional £5m of budget will be allocated at either the Autumn or Spring Budget Review.

6.3 Elaine explained that the allocation of the budget for 2020/21 was underway, with bids from each branch submitted and being summarised for review by the executive. She confirmed that priorities are identified to allocate the programme budget and flexibilities are taken into account. She noted that the percentage allocation of the core budget across the strategic outcomes was unlikely to change, with the budget allocation between the existing work programmes and essential core activities expected to remain similar to the current financial year.

6.4 Board members sought and received clarification that the delay in recruitment of a Senior Civil Servant would not have a detrimental impact on work and the £300k allocated in three consecutive years was necessary for the future development of IT systems.

6.5 The Board :

- **Noted** the indicative budget allocation of the resource budget for 2020/21
- **Noted** the additional budget for EU Exit preparedness and the future structure programme of work and the recruitment plan that is underway
- **Noted** the initial thoughts on strategic and operations priorities
- **Noted** the risks and issues being considered as part of the final budget allocation for 2020/21.

7 Financial Performance Report – 20/02/05

7.1 The Chair invited Fiona Bruce, Interim Senior Finance Manager to introduce the

paper. Fiona explained that the budget profile was £666k under budget, with delays in recruitment of staff the main category contributing to the underspend. She drew attention to the projected 1% underspend against the budget.

7.2 She noted the additional legal costs from SG Legal Directorate, which had been challenged. This challenge had resulted in a reduction of £160k in costs to FSS. She noted the outstanding debt, with a reduction of £17k in total debt over 31 days for the quarter and a reduction of 42% since the same period in 2018.

7.3 The Board sought and received clarification on the underspend in diet and nutrition and the additional legal costs due to Brexit. The CE explained that the executive would consider the benefits of appointing an “in-house” legal advisor to provide specialist advice.

7.4 The Board:

- **Noted** the financial information reported and expected end year position as at 31st December 2019
- **Noted** the approved budget of £16.3m, updated at the Autumn Budget Review (ABR), comprising resource and Annually Managed Expenditure (AME).

8 Audit and Risk Committee Oral Update

8.1 The Chair invited Sue Walker, Audit and Risk Committee (ARC) Chair to give an oral update on the meeting held on 27th November 2019. The ARC members completed their annual effectiveness review, which had involved input from the executive and internal and external auditors. The overall conclusion is that ARC works well and members are confident in the lines of assurance provided by the executive.

8.2 She noted that an induction programme for new ARC members was delivered and the feedback from new members was positive. With board members standing down in 2021, she noted that the ARC required a member with relevant financial experience, and dependent on the expertise of new board members, with consideration given to appointing an external attendee. She reported that observers from the executive would be invited to attend ARC meetings. She noted that members are keen to get a better understanding of equality and diversity matters, with suitable training opportunities identified. In 2021, she explained that the November ARC meeting would be moved into December to reduce the time lag between ARC meetings.

8.3 She noted that internal audits were on schedule, but there was no margin for slippage. She explained that members had received an intersessional paper on the proposal to bring in-house internal audits on Official Controls and following clarification, especially in relation to governance, resilience and skills and resource availability, they were content to support. She noted the annual audit plan was under preparation and Audit Scotland were to conduct a “Your Business at Risk” survey which had since been issued.

8.4 The ARC received a report on the Audit Implementation Group, and noted the continuing good performance of staff in implementing audit and other review recommendations. It was reported that over the year a significant turnover of SG Internal Audit Directorate staff had occurred, often at short notice, leading to a lack of continuity. In January 2020, the ARC Chair met the new Senior Internal Auditor and he had noted ARC’s concerns.

9 Report on FSS Communications and Marketing Strategy and Plans – 20/02/06

9.1 The Chair invited Katherine Goodwin, Head of Communications and Marketing to introduce the paper. Katherine drew attention to the key results from 2019 including awareness (63%); trust (77%) noting this is high when in comparison to other public bodies; website visits had doubled; increased awareness of FSS in younger consumers. She noted the success of the “No to upsizing” campaign which had encouraged consumers to change their behaviour had increased from 72% to 90%. In conclusion, Katherine noted the summary of the communications and marketing spend on each of the six strategic objectives in 2019.

9.2 The Board agreed that the communications objectives were principles; that the communications and marketing strategy should include a number of points - impact on staff and resources of the European Union transition on FSS should be clearly stated; highlight the role of FSS in support of Environmental Health Officers in food regulation and emphasise FSS’s key role in diet and nutrition.

9.3 The Board:

- **Noted** the communication and marketing work that has been undertaken to support FSS’s strategic aims and policy objectives in 19/20
- **Discussed** the topline results that have been achieved
- **Noted** the proposed focus for communications and marketing activities in 20/21
- **Agreed** the Communications Principles
- **Agreed** that the paper should be submitted to the board annually

10 Question and Answers

10.1 The Chair invited questions from the audience. Angus Lowden representing Association of Meat Inspectors sought and received clarification from the executive there were no plans for a two-tier regulatory system (domestic/export) for the meat industry.

10.2 Bill Strachan, representing Association of Meat Inspectors sought and received clarification from the executive on these points:

- figures for contamination for poultry and game industry;
- the purpose of a culture review of FSS Operations;
- FSS has sufficient numbers of Official Veterinarian’s and Meat Hygiene Inspectors;
- FSS Consumer Tracking Survey does not include figures on trust by Food Business Operators

11 Motion

11.1 The Chair informed the Board that the Executive had information regarding Brexit which was confidential. The Chair moved this item to be taken in closed session.

11.2 The Board:

- **agreed** to take business in private session

12 Brexit

12.1 The Chief Executive and Bill Adamson, Brexit Programme Manager updated the Board on the European Union Transition strategy and plans.

12.2 The Board :

- **noted** the information provided

12.3 No other business was discussed and the meeting closed at 14:20 pm.